

To:	Warden McQueen and Members of Grey County Council
Committee Date:	October 22, 2020
Subject / Report No:	TR-CW-23-20
Title:	Capital Purchase Prior to 2021 Budget Approval - Construction
Prepared by:	Matt Marck, Engineering Manager Sharon Melville, Buyer
Reviewed by:	Pat Hoy, Director of Transportation Services
Lower Tier(s) Affected:	Member Municipalities
Status:	Recommendation adopted by Committee as presented per Resolution CW181-20; Endorsed by County Council November 12, 2020 per Resolution CC87-20;

Recommendation

1. That Report TR-CW-23-20 regarding Capital Purchase-Construction Prior to 2021 Budget Approval be received; and
2. That staff be authorized to issue the tenders for the Grey Roads 17, 17B and 170 Rehabilitation and Grey Roads 3, 5 and 16 Rehabilitation construction projects prior to 2021 budget approval due to tender constraints in accordance with Sections 3.3 (c) , 10.0 and 10.1 f) of the Purchasing Policy.

Executive Summary

Transportation Services staff is requesting permission to tender for the Grey Roads 17, 17B and 170 Rehabilitation and Grey Roads 3, 5 and 16 Rehabilitation construction projects prior to 2021 budget approval.

Background and Discussion

Staff is seeking to tender Grey Roads 17, 17B and 170 Rehabilitation and Grey Roads 3, 5 and 16 Rehabilitation construction projects prior to 2021 budget approval in order to secure the most favourable tender pricing for these significant projects.

Section 10.1 f) of the purchasing policy states that items requiring pre-budget approval must be reported to Council in order to have the expenditure authorized via resolution.

In Section 3.3 c) of the policy, it states that staff is authorized to procure up to fifty percent of gross expenditures contained in the first year of the current Ten Year Capital Expenditure Forecast, prior to the annual budget being approved, once Council has authorized these capital expenditures via resolution, the tenders can be released for bidding by contractors.

Transportation Services is rehabilitating all roads in these projects by pulverizing and paving, except Grey Road 170, which will be resurfaced. The total length of all road sections under these projects is 27 kilometres.

With the 2021 budget being scheduled to be presented at an upcoming Committee of the Whole meeting and Council meeting, the Transportation Services Department feels that it is in the County's best interest to tender this project prior to budget approval. In the past, Transportation Services has released construction tenders in the first or second month of the fiscal year and obtained very favourable pricing.

Legal and Legislated Requirements

None.

Financial and Resource Implications

These construction projects are estimated to cost \$8,472,300 as noted in Tables 1 and 2 below.

Table 1 Grey Roads 17, 17B and 170 Rehabilitation Project Cost Estimate	
Total Estimated Cost	\$4,259,400
Percentage of 2021 Expenditures	18.24%

Table 2 Grey Roads 3, 5 and 16 Rehabilitation Project Cost Estimate	
Total Estimated Cost	\$4,212,900
Percentage of 2021 Expenditures	18.04%

The gross expenditures amount contained in the first year (2021) of the current Transportation Services Ten Year Capital Forecast Plan is \$23,357,800. The total project costs are estimated to be \$8,472,300, which is 36.27% of the proposed 2021 capital plan. The total percentage of gross expenditures to be used before the approval of the 2021 Budget, including these construction projects, would be 39.04%. The two tandem trucks, which will be tendered by the Maintenance Division, will make up the difference of 2.77%.

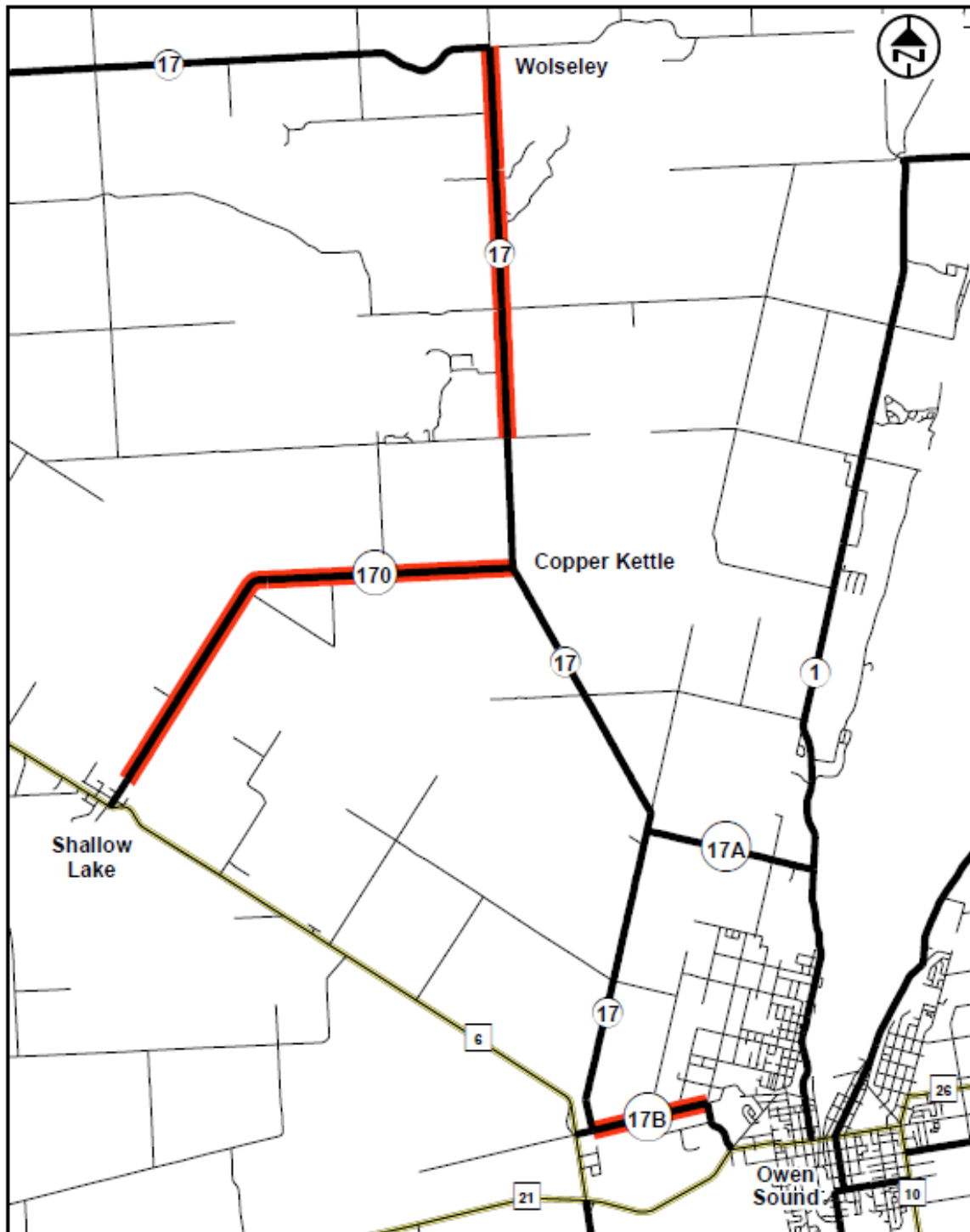
Relevant Consultation

- Internal
Finance Department
- External

Appendices and Attachments

2021 Grey Roads 17, 17B and 170 Rehabilitation Project Location Map
2021 Grey Roads 3, 5 and 16 Project Location Map

2021 Grey Roads 17/17B/170 Project Location Map




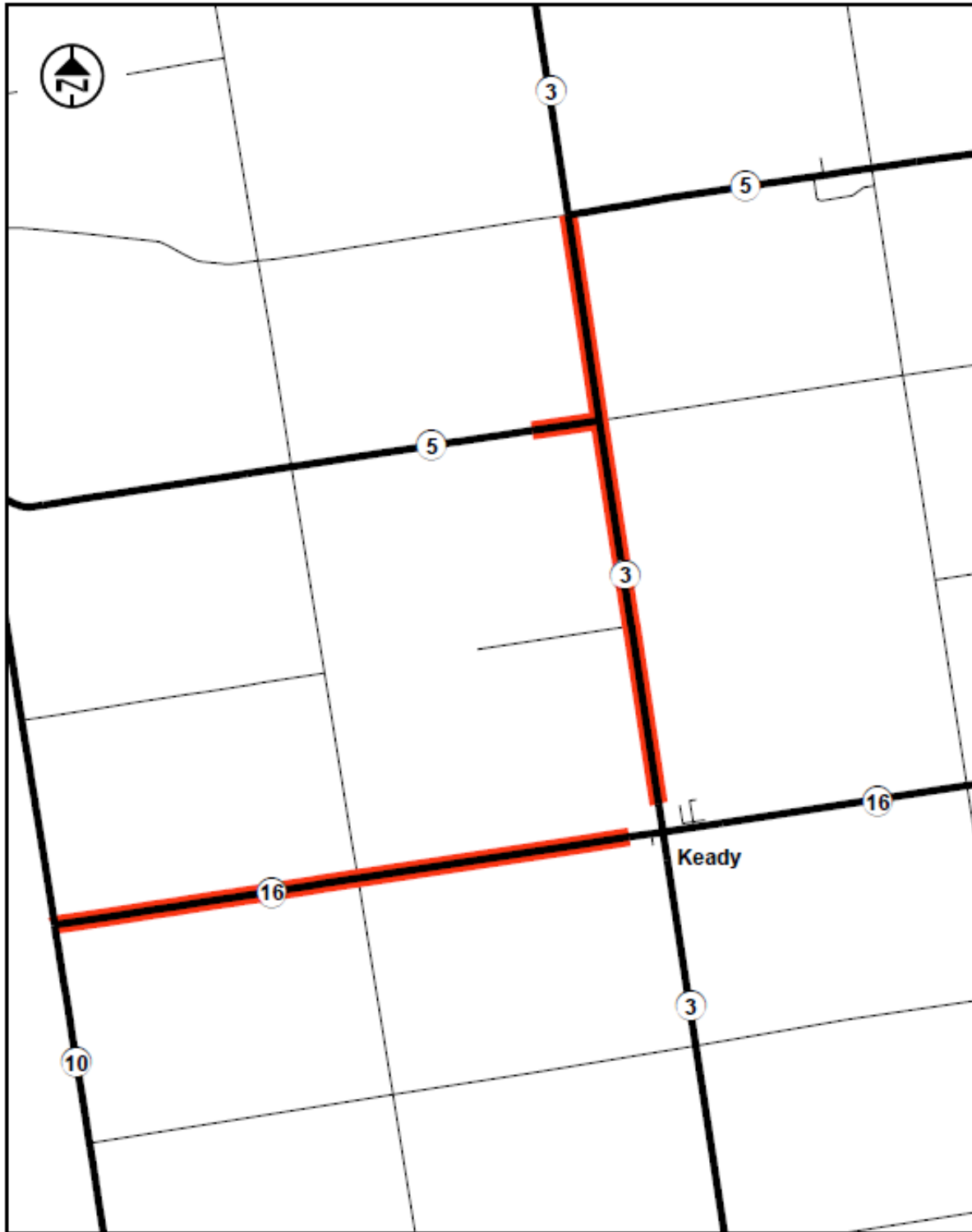
 2021 Construction and Resurfacing

FIGURE 1
SITE LOCATION MAP
TR-CW-23-20

2021 Grey Roads 16/3/5 Project Location Map




 2021 Construction and Resurfacing

FIGURE 2
SITE LOCATION MAP
TR-CW-23-20